SUBSTANTIVE COMPONENTS OF FOREIGN INTELLIGENCE

ECONOMIC

In presenting an over-all economic analysis, it is necessary to give an integral view of the structure of the economy, the pattern and direction of its development, and its capacity for adjustment to external and internal change; to define the significant aspects of each sector of the economy; to assess the part each plays in the total economic structure of the area; and to examine the factors which condition the scope and direction of the economic process.

A consideration of the strategic aspects of the economy should include:

1. The extent to which the country is or can readily become self-sufficient in its major requirements.
2. Its economic capacity for war in respect to natural resources, labor force and technical capabilities, and the degree of utilization of existing facilities.
3. The degree to which the economy is vulnerable to military attack.

ELEMENTS OF ECONOMIC INTELLIGENCE

I. AGRICULTURE AND FOOD

- A. Agricultural areas, production, and supplies.
- B. Fisheries: production and operation.
- C. Food consumption habits of the population.
- D. Forests and forest products.

II. FUELS AND POWER

- A. The position of fuels and power industry in the national economy.
- B. Supply and use patterns of various forms of energy: coal, oil, natural gas, hydroelectric power.

III. MINERALS AND METALS

- A. The position of the area's mineral and metal industries in the national and world economics.
- B. The relative importance of the industry in terms of its contribution to the national income, as an employer of labor, and as an investment area.
- C. Salient characteristics of the industry: extent of reserves; transportation factors; technological aspects of production and maintenance; government policies, etc.

IV. MANUFACTURING AND CONSTRUCTION INDUSTRY

- A. The following industries should be included:
  1. Industrial machinery and equipment; agricultural machinery.
  2. Motor vehicles.
  3. Aircraft production.
  4. Shipbuilding.

IV. MANUFACTURING AND CONSTRUCTION INDUSTRY (CONTD)

5. Industrial and military explosives.
6. Guns, ammunition, and other military equipment and supplies.
7. Industrial chemicals and chemical fertilizers..
8. Agricultural processing.
9. Fibers, fabrics and rubber.
10. Residential, commercial, industrial and public works construction.

B. The salient features of each, as applicable, should be examined to determine:

1. Position of the industry within the country as an employer of manpower, as a contributor to national income, and as an investment area.
2. Ownership, integration, government policies, international agreements.
3. Dependence on foreign sources for raw materials and equipment.
4. Competitive position in domestic and foreign markets.
5. Technological status.
6. Capacity to meet normal requirements and potential increased demands.

V. TRADE AND FINANCE

A. Domestic trade and finance.

1. The place of wholesale and retail trade in the national economy, trade channels, practices, ownership, nature and degree of specialization.
2. Financial institutions and their structure.
3. Government finance and fiscal policy.

B. International finance and trade.

1. Balance of payments: debit and credit position.
2. Foreign assets and liabilities: position as international debtor or creditor.
3. Government policies, practices, and institutions relative to international trade and finance.

C. Government wartime financing.

SUBSTANTIVE COMPONENTS OF FOREIGN INTELLIGENCE

SCIENTIFIC AND TECHNICAL

The relatively permanent and fundamental aspects of scientific research and development in the country. Since science enters strongly into present day military planning connected with national security, the military aspect is given emphasis. It is recognized, however, that much of the advance in military technology generates from non-military laboratories and that the entire scientific base of a country contributes to the military potential of the country.

I. FUNDAMENTAL ASPECTS

A. Development and Evaluation of Scientific Effort.

1. History and tradition.
2. Governmental attitude toward scientific research.
3. Fields of notable achievement.
4. Scholarship in pure and applied science.

B. Organization for Research.

1. Governmental - outside the Armed Forces.
2. Armed Forces research organizations.
3. Academic and higher educational institutions.
4. Privately-owned research organizations.

C. Education, Training, and Procurement of Scientific Personnel.

1. Nature of training in higher schools and in graduate work.
2. Evaluation of academic standards.

D. Appropriations

1. Allotment of public and private funds for research and development.
2. Prizes and awards for scientific achievement.

II. MILITARY ASPECTS

A. Capabilities in research and development of:

1. Electronics.
2. Air, ground, and naval weapons.
3. Atomic energy.
4. Biological and chemical warfare.